

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF OKLAHOMA

IN RE:

ATOKA COUNTY HEALTHCARE  
AUTHORITY,

Debtor.

Case No. 17-80016  
(Chapter 9)

**DEBTOR'S STATUS REPORT**

Atoka County Healthcare Authority ("Debtor"), who oversees the management and operation of Atoka County Medical Center ("ACMC"), hereby files this Status Report in compliance with the Court's Minute Entry dated July 15, 2020 [Doc. #188] to update the Court regarding Debtor's recent operational and financial performance.

**Operations During COVID-19:**

1. As of July 27, 2020, Oklahoma has 32,686 reported cases of COVI-19 and 496 related deaths.
2. Of those, Atoka county has 58 reported COVID cases, but has suffered no deaths to date.
3. Since this pandemic began, ACMC has worked diligently to build an adequate supply of personal protective equipment for both its staff and its patients.
4. Just as Oklahoma performed staged reopening of commerce, Debtor likewise began re-offering more services to the public in May and June.
5. However, all employees and visitors are screened before entering ACMC and are required to wear masks.

6. On May 12, 2020, APMC reopened its outpatient services and restarted its ambulatory surgery, all following CDC guidelines.

7. To mitigate the possibility of COVID being carried into the premises, APMC instituted visiting restrictions. It also required temperature monitoring for every visitor, and prohibited all social gatherings and common area usage.

8. Per state and federal regulations, these heightened restrictions will remain in place until there is a 14 day decline in COVID-19 cases.

#### **Patient Care Ombudsman.**

9. Deborah Burian, the duly appointed Patient Care Ombudsman (“PCO”) filed her 20<sup>th</sup> Periodic Report on July 8, 2020 [Doc. No. 178].

10. The Report notes that APMC has addressed previous dietary issues, that again no complaints were received, and that APMC continues to work together with the Ombudsman in order to assure the highest quality of care possible.

#### **Facilities / Equipment Maintenance**

11. The Debtor continues to take steps to improve and update APMC’s facilities and equipment.

12. APMC’s computer servers are beyond the usual life span of such equipment. Further, newer servers with enhanced abilities are needed to allow support staff to work remotely from home when necessary.

13. The Debtor obtained several competitive quotes to replace its internal file server/domain controller systems and virtual environment systems, and ultimately purchased needed equipment from Dell. The new equipment will be installed as quickly as feasible.

14. Since the last status report ACMC has also performed repairs in its boiler as well as its generator, both of which are now functioning properly.

### **COVID-19 & Financial Condition**

15. Debtor and Carrus Health continue to manage ACMC's cash position well during this time.

16. Debtor previously received \$362,000.00 in COVID-19 related stimulus funds, which were placed into savings for use if the Hospital's revenues dropped.

17. Debtor received a second payment of \$3,204,664.441 thereafter. It has been booked as deferred revenue and will be recognized as the funds are utilized.

18. The government has not fully set all the restrictions and parameters for how the funds may be used. ACMC's CEO Jon Rains and CFO Jamie McGaugh are working closely with health care advisors from Eide Bailly to ensure the funds are used appropriately, and that they are tracked correctly for cost reporting purposes.

19. ACMC had an average daily census 12 during the month of June during the COVID-19 outbreak, which maintains a slight improvement over roughly the same time one year ago.

20. Debtor has remained current on its payments to secured creditor UMB Bank, National Association, as indenture trustee with respect to the Debtor's Hospital Revenue Bonds, Series 2007.

21. Debtor has also maintained reduced payments to USDA under its secured debt with that creditor.

### **Progress Toward a Disclosure Statement and Plan.**

22. The Hospital's appraisal was previously placed on hold, but work has resumed in the last two weeks. It is anticipated to be completed within the next four weeks.

23. Debtor is still navigating the fallout from the initial pandemic event, followed by increasing State infection numbers. Oklahoma has experienced a recent uptick in infections, and the Hospital is still making contingency plans for a possible "second wave" of increased cases in the fall.

24. Debtor's new goal is to file a plan and disclosure statement by September or October 2020, and be out of bankruptcy by year end.

### **Conclusion.**

25. The Court has set a Telephonic Status Conference to be held on 9/16/2020 at 08:30 AM. The call-in Number for the Conference is 888.684.8852, with Access Code 8488521, and Security Code 1347.

26. Debtor will provide additional written reports to the Court should it desire further information before that time.

Respectfully Submitted,

/s/ Jeffrey E. Tate

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